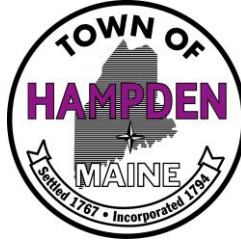


Town of Hampden
106 Western Avenue
Hampden, Maine 04444



**Agenda
Item 3-a**

Phone: (207) 862-3034
Fax: (207) 862-5067
Email:
townmanager@hampdenmaine.gov

TO: Infrastructure Committee
FROM: Angus Jennings, Town Manager
DATE: January 29, 2017
RE: Sewer Rates

This memo is intended to provide information to the Committee to inform consideration of changes to the Sewer rate structure (established in the Fees Ordinance) in order to meet the following policy objectives:

- 1) Ensure that revenues cover operating and capital costs on an ongoing basis;
- 2) Generate enough revenues over and above Item 1 to enable the Sewer Fund to repay prior Interfund Transfers from the General Fund over an established period of time; and
- 3) Budget capital and reserve funding to pay recent and anticipated debt service,¹ support future system investments, including capital improvements, periodic maintenance, and emergency investments.

Sewer Fund Financial Status

Due to the rate increase approved in Feb. 2016 (effective 2016 2nd quarter billing), FY17 will be the first fiscal year in many years that the Sewer Fund will generate more revenues than expenses. Prior to FY17, for many years, the combination of sewer operating costs and capital costs exceeded annual sewer revenues by approximately \$200,000/year or more. (For financial trends FY04-FY15 see Appendix B).

At FY15 year-end, the total amount due from the Sewer Fund for Interfund Transfers was \$541,666. While the FY16 audit is not yet final, interfund transfers in the amount of \$110,000 were needed in order for the Sewer Fund to pay its bills, and an additional interfund transfer of \$150,000 was made in FY17, resulting in a current deficit of \$801,666 due from the Sewer Fund to the General Fund. The FY17 transfer is expected to be repaid by the end of the fiscal year, bringing the estimated year-end deficit to \$651,666.

The FY17 sewer budget, and YTD expenditures and revenues, are attached.

¹ \$258,810 loan closed on January 23, 2017. Additional borrowing of \$300,000 anticipated spring 2017 for Hampden's share of ongoing capital improvements to Bangor WWTP.

Sewer Budget Workbook					
January 29, 2017					
Sewer Expense Budget					
	Expended	Expended	Budget	YTD	Budget Notes
	2014/2015	2015/2016	2016/2017	2016/2017	FY18
		Not Audited		as of 1/29/17	
60 - SEWER					
10 - FUND 2					
01 - COMPENSATION					
05 - WAGES	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ -	Appropriation for contribution to public works/admin salary offset.
10 - SUPPLIES					
01 - SUPPLIES/OFFICE	\$ 5.00	\$ -	\$ -	\$ -	
05 - POSTAGE/SHIPPING	\$ 6,388.95	\$ 7,370.41	\$ 6,000.00	\$ 3,360.52	Cost of sewer billing printing & postage 4 times per year.
20 - SUPPLIES/MATERIALS	\$ 6,752.22	\$ 5,849.12	\$ 10,000.00	\$ 7,895.58	Cost of quarterly water readings; pump station or line repair supplies. Increased to budget for annual rent to Maine Central Railroad. \$2,479.58 due Sept 2016
45 - SUPPLIES/CULVERTS		\$ -	\$ -	\$ -	
99 - MISC.	\$ -	\$ -	\$ 2,400.00	\$ 3,434.13	
15 - UTILITIES					
05 - ELECTRICITY	\$ 33,811.47	\$ 37,055.09	\$ 36,000.00	\$ 15,628.28	Electric charges for pump stations.
10 - FUEL	\$ 7,602.19	\$ 8,830.93	\$ 7,000.00	\$ 188.34	Fuel costs for pump stations.
20 - MAINTENANCE/REPAIRS					
53 - Repair	\$ -	\$ 21,629.00	\$ 52,000.00	\$ -	Repair costs for pump stations and sewer lines. FY16 cost due to pipe burst on MRN. FY18 TBD based on CIP.
30 - PROFESSIONAL SERVICES					
37 - PROF SVCS/LICENSE FEES			\$ -	\$ -	License fees to State Treasurer (\$475., removed from 60-10-10-20). Trio service (\$750., paid in FY17 from 60-10-10-99).
40 - LIENS/TRANSFERS	\$ 3,972.00	\$ 6,260.70	\$ 5,600.00	\$ 1,816.50	Cost of lien placement and discharge for sewer liens. FY17 includes legal costs.
60 - SEWER EXPENSES					
02 - TREATMENT SERVICE CHARGE	\$ 318,745.73	\$ 96,557.87	\$ 262,494.00	\$ 119,742.98	Projected sewer treatment charges by City of Bangor. Prior years' spending includes overdue charges. Based on FY16 costs, increased by 5%.
04 - MAIN PUMP STATION CONTRACT	\$ 73,795.57	\$ 137,384.79	\$ 43,878.00	\$ 16,257.02	Cost of contracted pump station maintenance services by Bangor. Prior years' spending includes overdue charges. Based on prior 12 months' incurred costs (Nov. 2015 to Oct. 2016)
10 - O&M CONTINGENCY		\$ 2,509.12	\$ 5,000.00	\$ -	Small projects that are above and beyond the routine repair costs. TBD based on CIP.
16 - PRINC/INT FMHA	\$ 91,701.56	\$ 378,091.78	\$ 381,465.35	\$ 353,770.78	\$ 451,691.50
1997 A State Revolving Loan Fund					Bond will be paid off in FY18.
Route 1A Project, 2009 Sewer Bond (2009 FS)					Bond will be paid off in FY26.
Route 1A Sewer & Pump Station Project, Hampden 2014A					Bond will be paid off in FY35.
2006 C Hampden					Bond will be paid off in FY30.
2017 The First (overdue bills)					Based on closed loan with The First.
2017 Bangor WWTP					Based on assumed 10 years at 2.53% interest.
19 - INTERFUND (TO GF)			\$ 100,000.00	\$ -	Second year of multi-year payback.
22 - SPECIAL PROJ	\$ -	\$ 13,636.69	\$ 15,500.00	\$ 4,728.54	Repairs (\$10,500); GIS mapping for MS4 permit (\$5000). FY17 costs reflect engineering costs. FY18 TBD based on CIP.
24 - SEWER FLUSHER REPAIRS	\$ -		\$ -	\$ -	
24 - SEWER LEGAL COUNSEL		\$ -	\$ -	\$ -	
	\$ 602,774.69	\$ 775,175.50	\$ 987,337.35	\$ 526,822.67	

Sewer Revenue Budget				
Account	Received 2014/2015	Received 2015/2016 Not Audited	Budget 2016/2017	YTD 2016/2017 as of 1/29/17
60 - SEWER				
01 - SEWER BILLS	\$546,375.68	\$542,517.80	\$ 943,844.96	\$ 504,398.02
03 - INTEREST ON SEWER BILLS	\$1,923.80	\$1,783.55	\$1,735.00	\$1,071.88
05 - INTEREST/COSTS ON SEWER LIENS	\$9,696.57	\$869.38	\$9,050.00	\$442.56
08 - ABATEMENTS	(\$14,003.43)	(\$382.92)	\$0.00	(\$3,061.85)
23 - INTEREST EARNED	\$1,234.30	\$0.50	\$1,230.00	\$0.00
24 - CONSTRUCTION INTEREST	\$541.40	\$0.00	\$0.00	\$0.00
60 - SEWER - DEBIT CARD	\$4.00	(\$121.66)	\$0.00	(\$189.54)
79 - MISC SEWER INCOME	\$0.00	\$44.96	\$0.00	\$1,268.60
Final Totals	\$545,772.32	\$544,711.61	\$ 955,859.96	\$ 503,929.67
Prior Surplus / (Deficit)	(\$57,002.37)	(\$230,463.89)		
	Projected Surplus / (Deficit)		(\$31,477.39)	(\$22,893.00)
	Will require add'l revenue of:		\$31,477.39	

Sewer Fund Rate Structure

Sewer bills are now based entirely on usage charges. (Capital charges were eliminated from the rate structure last year). Billing is based on the customer's water usage (as provided to us, in advance of our quarterly billing, by the Hampden Water District and, for a small number of customers, by the Bangor Water District). Usage is measured in Cubic Feet (CF). Customers showing no sewer usage during a particular quarter are still invoiced for a "ready to serve" charge (\$30.62). A small number of sewer customers are charged based on a flat rate pursuant to Sec. 2.9.1 of the Fees Ordinance. Specifically:

- Customers of sewer that have private wells, and do not have accounts with Hampden Water District. Because sewer bills are based on records of water usage, sewer customers without water accounts (and therefore without water meter readings) are charged a flat rate of \$178.19 (increased from \$105.44 Feb. 2016). This flat rate was set years ago by the Council in order to reflect the then-average residential sewer bill. Five customers fall into this category.
- Customers of sewer that do have accounts with Hampden Water District, but that don't have water meters, are charged a flat rate of \$108.56 (increased from \$64.24 Feb. 2016).²

² There are two customers that fall into this category in our billing system. We are currently researching to ensure that these customers are appropriately classified.

Sewer Customer Base

To understand the customer base, we evaluated all sewer customer's usage and billing records for one year (October 2015 through September 2016, the most recent complete year records).

There are 1,528 customers in our database. The median customer, by usage, was billed for 5,000 CF during that period. Usage of the 25th percentile customer was 3,200 CF; usage by the 75th percentile customer was 7,300 CF. Average usage is not viewed as a good basis for analysis in understanding the customer base because it is skewed by large users. (The largest customer, by usage, was billed for 227,800 CF).

The following tables summarize the annual usage and costs for the system's 25th percentile, median and 75th percentile customers, both prior to the Feb. 2016 rate change; past complete year (10/15-9/16); and annual cost (current rates):

Effect on Customers by Usage				
	<u>Usage/Yr</u> <u>(100 CF)</u>	<u>Pre FY17</u> <u>annual cost</u>	<u>Past Year</u> <u>Cost</u>	<u>Full Year at</u> <u>Current Rates</u>
25th percentile Customer	32.0	\$ 200.88	\$ 263.51	\$ 311.68
Median Usage Customer	50.0	\$ 282.20	\$ 395.14	\$ 487.00
75th percentile Customer	73.0	\$ 384.92	\$ 562.35	\$ 711.02

My office is preparing a dynamic sensitivity analysis to allow the Committee to see the effect of potential changes to the usage charges in total, and as it would affect each of the illustrative "customers" profiled above. This calculates how new customer costs would compare with annual costs at current rates.

This will be available at Monday's meeting in order to support the Committee's evaluation of potential rate changes, including how any such changes would affect both the bottom line revenues, as well as typical sewer customers.

Cost Trends and Projections

A summary of obligated debt service payments is below. The line shaded in red is an estimate of the future costs associated with the borrowing of \$300,000 authorized in Nov. 2016 for Hampden's 8.33% contribution toward Bangor WWTP improvements (based on assumed 10 year loan at 2.53% interest):

Town of Hampden Debt Service Analysis, 1-29-17				Future Debt Service Obligations					
Sewer Fund	Bond Series	Maturity Date	FY16	FY17 Debt Service Due	FY18	FY19	FY20	FY21	FY22
1996 Sewer SRF	1997 A	10/1/2017	\$ 96,348	\$ 96,284	\$ 96,217				
2006 Sewer Construction Bond	2006 C	11/1/2026	\$ 103,990	\$ 107,675	\$ 103,669	\$ 99,495	\$ 95,715	\$ 85,889	\$ 87,484
2010 Route 1A Sewer Bond SRF	2009 FS	7/29/2029	\$ 108,537	\$ 108,533	\$ 108,526	\$ 108,520	\$ 108,514	\$ 108,508	\$ 108,502
2014 Sewer Project	2014 A	11/1/2034	\$ 69,217	\$ 68,973	\$ 68,594	\$ 68,066	\$ 67,397	\$ 66,578	\$ 65,622
Sewer Overdue Bills	Loan #44181126	1/23/2024		\$ 16,893	\$ 40,543	\$ 40,543	\$ 40,543	\$ 40,543	\$ 40,543
<i>Sewer Bangor WWTP</i>					\$ 34,143	\$ 34,143	\$ 34,143	\$ 34,143	\$ 34,143
			\$ 378,092	\$ 398,358	\$ 451,692	\$ 316,624	\$ 312,169	\$ 301,517	\$ 302,150
		<i>Change from prior year:</i>		\$ 20,266	\$ 53,333	\$ (135,067)	\$ (4,456)	\$ (10,651)	\$ 633

After debt service, the most significant costs to the sewer fund result from the sewage treatment charges and the maintenance charges paid to the City of Bangor pursuant to the "Interlocal Agreement Between Bangor and Hampden Regarding the Use of Bangor's Wastewater Treatment Plant Complex by Hampden" (2/13/96) and the "Pump Station Maintenance Contract between Bangor and Hampden" (4/6/99).

After a period during which these costs increased significantly (Sept. 2014 to June 2015), the FY16 and FY17 YTD treatment costs have trended lower while maintenance costs have increased somewhat. The data tables on the following page illustrate these cost trends.

Treatment Service Charge			
Acct. 60-10-60-02			
Amt.	Date (Inv.)	Date (Svc)	
\$ 12,019.65	10/31/2014	Jan-14	
\$ 8,965.19	10/31/2014	Feb-14	
\$ 11,116.88	10/31/2014	Mar-14	
\$ 11,783.77	10/31/2014	Apr-14	
\$ 12,509.07	10/31/2014	May-14	
\$ 12,357.33	10/31/2014	Jun-14	
\$ 7,468.01	11/18/2014	Jul-14	
\$ 10,795.90	11/18/2014	Aug-14	
\$ 19,653.99	11/18/2014	Sep-14	
\$ 20,449.26	11/18/2014	Oct-14	
\$ 26,330.82	3/6/2015	Nov-14	
\$ 18,269.36	3/6/2015	Dec-14	
\$ 31,719.40	3/6/2015	Jan-15	
\$ 32,097.61	3/6/2015	Feb-15	
\$ 17,288.38	10/27/2015	Mar-15	
\$ 18,688.94	10/27/2015	Apr-15	
\$ 11,176.56	10/27/2015	May-15	
\$ 36,055.61	10/27/2015	Jun-15	
\$ 5,250.65	3/10/2016	Jul-15	
\$ 5,868.71	3/10/2016	Aug-15	
\$ 6,071.16	3/10/2016	Sep-15	
\$ 14,387.24	3/10/2016	Oct-15	
\$ 13,663.38	3/10/2016	Nov-15	
\$ 14,954.96	3/10/2016	Dec-15	
\$ 9,107.91	3/10/2016	Jan-16	
\$ 11,246.67	3/10/2016	Feb-16	
\$ 16,740.55	8/11/2016	Mar-16	
\$ 12,861.07	8/11/2016	Apr-16	
\$ 9,556.65	8/11/2016	May-16	
\$ 9,053.36	8/11/2016	Jun-16	
\$ 3,341.26	11/4/2016	Jul-16	
\$ 5,340.17	11/4/2016	Aug-16	
\$ 6,259.21	11/4/2016	Sep-16	
\$ 7,039.40	11/4/2016	Oct-16	

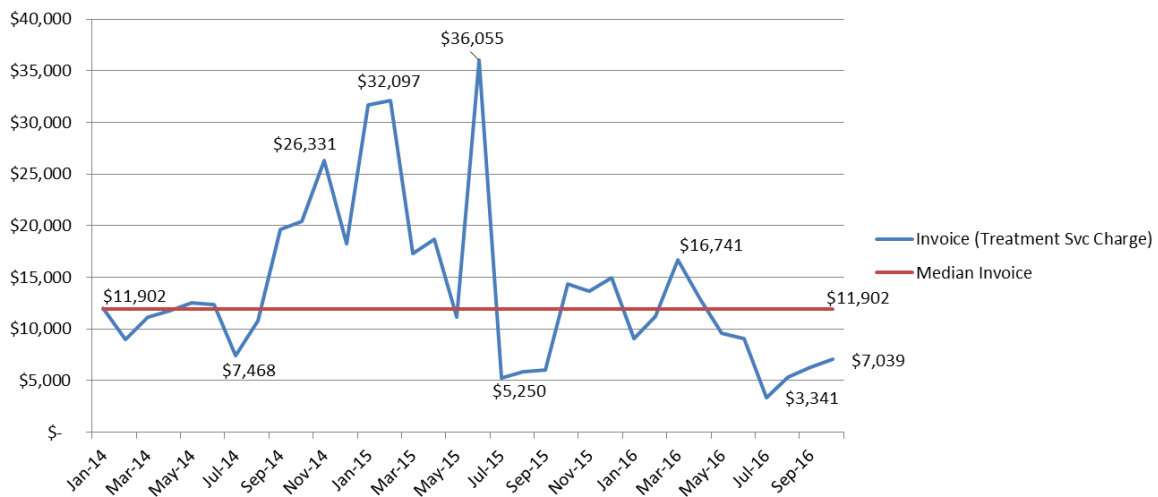
Cost Trends as of Jan. 2017

Last fiscal year	
\$	128,762.31
Last calendar year	
\$	207,222.60
Last 12 months	
\$	119,164.59

Monthly invoices, Jan. 2014 to Oct. 2016

Median bill	\$	11,901.71
Average bill	\$	13,808.47

Bangor Sewer Treatment Charges to Hampden, Jan 2014 to Oct 2016



Main Pump Station Contract		
Acct. 60-10-60-04		
Amt.	Date (Inv.)	Date (Svc)
\$ 3,243.42	10/31/2014	Jan-14
\$ 3,340.69	10/31/2014	Feb-14
\$ 3,340.73	10/31/2014	Mar-14
\$ 3,340.73	10/31/2014	Apr-14
\$ 3,340.73	10/31/2014	May-14
\$ 3,340.73	10/31/2014	Jun-14
\$ 4,561.96	10/31/2014	Reimb.: Work performed above contract.
\$ 1,274.06	10/31/2014	Reimb.: Parts purchased.
\$ 3,340.73	11/18/2014	Jul-14
\$ 3,340.73	11/18/2014	Aug-14
\$ 3,340.73	11/18/2014	Sep-14
\$ 3,340.73	11/18/2014	Oct-14
\$ 864.58	11/18/2014	Reimb.: Work performed above contract.
\$ 113.06	11/18/2014	Reimb.: Parts purchased.
\$ 3,340.73	3/6/2015	Nov-14
\$ 3,340.73	3/6/2015	Dec-14
\$ 3,340.73	3/6/2015	Jan-15
\$ 3,443.23	3/6/2015	Feb-15
\$ 1,159.34	3/6/2015	Reimb.: Parts purchased.
\$ 3,653.62	3/6/2015	Reimb.: Work performed above contract.
\$ 3,443.27	10/27/2015	Mar-15
\$ 3,443.27	10/27/2015	Apr-15
\$ 3,443.27	10/27/2015	May-15
\$ 3,443.27	10/27/2015	Jun-15
\$ 331.24	10/27/2015	Reimb.: Parts purchased.
\$ 1,289.26	10/27/2015	Reimb.: Work performed above contract.
\$ 3,443.27	3/10/2016	Jul-15
\$ 3,443.27	3/10/2016	Aug-15
\$ 3,443.27	3/10/2016	Sep-15
\$ 3,443.27	3/10/2016	Oct-15
\$ 3,443.27	3/10/2016	Nov-15
\$ 3,443.27	3/10/2016	Dec-15
\$ 3,443.27	3/10/2016	Jan-16
\$ 3,546.52	3/10/2016	Feb-16
\$ 6,505.88	3/10/2016	Reimb.: Parts purchased.
\$ 8,103.76	3/10/2016	Reimb.: Work performed above contract.
\$ 3,546.57	8/11/2016	Mar-16
\$ 3,546.57	8/11/2016	Apr-16
\$ 3,546.57	8/11/2016	May-16
\$ 3,546.57	8/11/2016	Jun-16
\$ 5,526.37	8/11/2016	Reimb.: Parts purchased.
\$ 2,478.74	8/11/2016	Reimb.: Work performed above contract.
\$ 3,546.57	11/4/2016	Jul-16
\$ 3,546.57	11/4/2016	Aug-16
\$ 3,546.57	11/4/2016	Sep-16
\$ 3,546.57	11/4/2016	Oct-16
\$ 167.00	11/4/2016	Reimb.: Work performed above contract.

Cost Trends as of Jan. 2017

Last fiscal year	
\$	64,450.44
Last calendar year	
\$	47,650.12
Last 12 months	
\$	65,030.64

Revenue Needs and Policy Questions

The sewer rates were increased by vote of the Town Council on August 3, 2009, when the usage fee was increased from \$3.28 to \$4.28. No change was made to the capital charge, which was \$18.12 at that time. According to the minutes of that meeting, the 2009 rate change was the first rate increase since 1998. At a public hearing in February 2016, the Council increased rates to \$9.74 per 100 CF, with no capital charge.

Looking ahead to the FY18 Sewer Fund expense budget, some additional costs will result from new debt service obligations, and from increasing pump station maintenance costs. However, it appears based on an apparent normalizing of treatment charges that we may be able to budget lower costs in FY18 than the \$262,494 budgeted in FY17.

Other major variables on the expense side of the budget depend on how the Council wishes to budget for anticipated capital needs, as well as unexpected repairs.

In preparation for Monday's meeting, DPW Director Currier and I have prepared the attached draft 5-year Sewer Capital Improvement Program (CIP). A central focus of the discussion at Monday's meeting will include discussion of these anticipated costs, when they are expected, and their relative importance to system maintenance.

Another policy question before the Committee is to revisit the goal for the period of time (number of years) over which the sewer fund should repay the interfund transfers from the General Fund.

Another policy question before the Committee is whether the Committee will support an increase to the interest rate for late payments, as authorized by the Public Utilities Commission?

Effective January 1, 2016, the allowable interest rate for late payments of utility bills increased to 11.25% (see attached letter from Maine Public Utilities Commission, 11/17/15). Late payments on sewer bills are currently subject to an interest rate of 7.0%.

My goal is to devote most of Monday's Infrastructure Committee meeting to sewer rates. At the conclusion of the meeting, it is recommended that the sewer rates be either referred to the Finance Committee for further consideration, or be referred to the Town Council for referral to a public hearing. If a rate change is enacted, it would need to be voted by the end of February 2017 in order for the changed revenues to be available throughout all of FY18, which will assist in FY18 budgeting for the Sewer Fund.

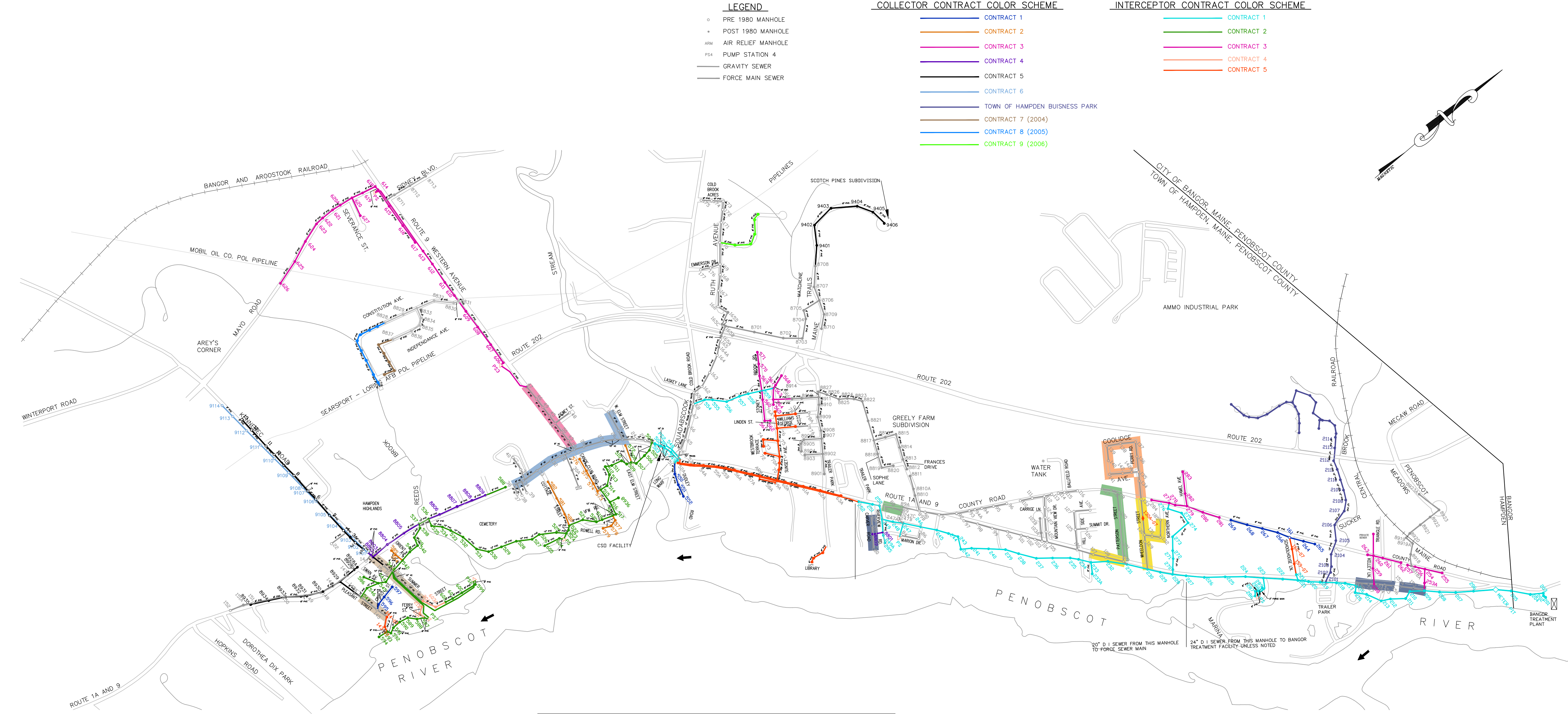
Appendix A: Draft Sewer Fund Capital Improvement Program, FY18 to FY22

SEWER 5 YR CAPITAL IMPROVEMENT PLAN

TASK	FY17	FY18	FY19	FY20	FY21	FY22	TOTAL (FY18-22)	
CSO TANK SEALING		\$7,500.00	\$7,500.00	\$7,500.00	\$7,500.00		\$30,000.00	
CCTV - FLUSH SEWER SYSTEM		\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$150,000.00	
SEWER FORCE MAIN-SOUADABSCOOK PUMP STATION							\$500,000.00	
I/I STUDY - MAYO ROAD							\$0.00	
I/I STUDY - WESTBROOK TERRACE							\$0.00	
METER PIT PARSHALL FLUME STUDY		\$7,000.00					\$7,000.00	
METER PIT PARSHALL FLUME FIX/VALVE INSTALL							\$0.00	
INTERFUND TRANSFERS	\$100,000.00						\$500,000.00	
SEWER PROJECT PRIORITY #4 (#1-3 COMPLETED)*							\$764,500.00	estimate from 2008
-RT1A FROM RT 9 TO SKEHAN AND ELM ST. WEST								
SEWER PROJECT PRIORITY #5 *							\$561,500.00	estimate from 2008
-WESTERN AVE FROM 1A TO RITE AID								
SEWER PROJECT PRIORITY #6 *							\$462,625.00	estimate from 2008
-PLEASANT ST FROM DEAD END TO INT AND SUMMER ST.								
SEWER PROJECT PRIORITY #7 *							\$472,000.00	estimate from 2008
-CARVER ST AND 3 SPOTS ON MRN NEAR HUGHES BROS								
REPLACE SUMMER STREET PUMP		\$6,500.00					\$6,500.00	
REPLACE COUNTY ROAD SS (3 AREAS)							\$0.00	
REPLACE MOUNTAINVIEW SS							\$0.00	
REPLACE DEWEY STREET SS							\$0.00	
REPLACE SEWER JET WITH JET/VAC (FUND RESERVE)							\$0.00	
* Priority Projects refer to analysis by Woodard & Curran, 2008. Costs for priority projects are based on 2008 estimates, not adjusted for inflation.								
HAMPDEN'S PORTION OF BANGOR WWTP REPAIRS/MAINTENANCE							HA SHARE 8.33%	ACTUAL COST
TASK	FY17	FY18	FY19	FY20	FY21	FY22	TOTAL (FY18-22)	
BANGOR-BIOTOWER MEDIA							\$183,718.00	\$2,205,488.75
AERATION TANK AND DIAPHRAGM IMPROVEMENTS							\$54,978.00	\$660,000.00
ACTUATOR REPLACEMENT							\$4,582.00	\$55,000.00
MAIN FLYGHT PUMP REPLACEMENT							\$49,980.00	\$120,000.00
CLIMBER RACK MOTOR REPLACEMENT							\$16,660.00	\$200,000.00
SCADA UPGRADES - WILL BE IN CONJUNCTION WITH LTCP							\$0.00	\$XX,XXX,XXX.00
ADDITIONAL ACTUATOR REPLACEMENTS (FRONT END OF PLANT)							\$2,499.00	\$30,000.00
CL2 CONTAINMENT TANK							\$2,333.00	\$28,000.00
PAVING AT PLANT							\$9,996.00	\$120,000.00
NEW SECONDARY CLARIFIER DRIVE							\$4,582.00	\$55,000.00
CONCRETE WATERPROOFING AT PLANT							\$4,165.00	\$50,000.00

X6

woodardcurran.net\shared\Projects\213302 Hampden - Sewer Dept General Engineering Services\SEWER COST ESTIMATES\ad drawings\2007-04-09 Hampden Sewer Locations.dwg, Dec. 30, 2015 - 3:03pm



LEGEND

- PRE 1980 MANHOLE
- POST 1980 MANHOLE
- ARM AIR RELIEF MANHOLE
- PS4 PUMP STATION 4
- GRAVITY SEWER
- FORCE MAIN SEWER

COLLECTOR CONTRACT COLOR SCHEME

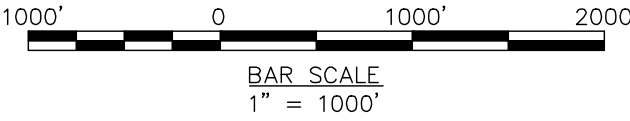
- CONTRACT 1
- CONTRACT 2
- CONTRACT 3
- CONTRACT 4
- CONTRACT 5
- CONTRACT 6
- TOWN OF HAMPDEN BUSINESS PARK
- CONTRACT 7 (2004)
- CONTRACT 8 (2005)
- CONTRACT 9 (2006)

INTERCEPTOR CONTRACT COLOR SCHEME

- CONTRACT 1
- CONTRACT 2
- CONTRACT 3
- CONTRACT 4
- CONTRACT 5

Priority Areas 1 through 7 Town of Hampden				
June 3, 2008				
Description	Construction	Technical Services	Contingency	Total
Priority Area 1	\$502,000.00	\$57,500.00	\$84,000.00	\$643,500.00
Priority Area 2	\$483,750.00	\$56,000.00	\$80,000.00	\$619,750.00
Priority Area 3	\$463,750.00	\$54,000.00	\$78,000.00	\$595,750.00
Priority Area 4	\$597,000.00	\$67,500.00	\$100,000.00	\$764,500.00
Priority Area 5	\$437,000.00	\$51,000.00	\$73,500.00	\$561,500.00
Priority Area 6	\$358,625.00	\$43,500.00	\$60,500.00	\$462,625.00
Priority Area 7	\$366,500.00	\$44,000.00	\$61,500.00	\$472,000.00
TOTALS	\$3,208,625.00	\$373,500.00	\$537,500.00	\$4,119,625.00

SEWER PRIORITY AREA MAP



SOURCE:
PLAN ENTITLED, "TOWN OF HAMPDEN, TOWN OF HAMPDEN SEWER LOCATIONS",
DATED 03-21-2006, PREPARED BY JAMES W. SEWALL COMPANY

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One Merchants Plaza, Suite 501
Bangor, Maine 04401
207-945-5105 | www.woodardcurran.com

WOODARD & CURRAN

COMMITMENT & INTEGRITY DRIVE RESULTS

REV	DESCRIPTION	DATE

DESIGNED BY: 2007-04-09 Hampden Sewer
DRAWN BY: locations.dwg

CHECKED BY:

SEWER PRIORITY AREA MAP

TOWN OF HAMPDEN, MAINE

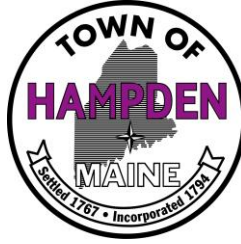
SEWER COST ESTIMATE

JOB NO.: 213302
DATE: JUNE 2008
SCALE: 1"=1000'
SHEET: OF

Appendix B: Sewer Fund Financial Trends, FY04 to FY15

Hampden Sewer Fund, Financial Trends FY04 to FY15												
	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07	FY06	FY05	FY04
Due to Other Funds	\$541,666	\$781,666	\$539,468	\$548,502	\$386,737	\$258,022	\$216,475	\$395,176	\$228,104	\$165,230	\$179,507	\$119,545
Total Operating Revenues	\$528,165	\$531,582	\$549,035	\$562,212	\$565,475	\$529,547	\$464,887	\$464,097	\$475,356	\$484,874	\$491,438	\$493,474
Total Operating Expenses	\$786,509	\$574,728	\$654,711	\$692,614	\$628,439	\$674,179	\$646,679	\$574,416	\$442,152	\$456,350	\$500,961	\$531,797
Net Operating Income (Loss)	(\$258,344)	(\$43,146)	(\$105,676)	(\$130,402)	(\$62,964)	(\$144,632)	(\$181,792)	(\$110,319)	\$33,204	\$28,524	(\$9,523)	(\$38,323)
Non-Operating Revenues (Expenses) (primarily interest expense)	(\$79,338)	(\$63,224)	(\$89,407)	(\$107,005)	(\$115,159)	(\$34,814)	\$9,942	(\$82,508)	(\$66,558)	(\$43,522)	(\$53,215)	(\$16,436)
Net Income (Loss) Before Contributions and Transfers	(\$337,732)	(\$106,370)	(\$195,083)	(\$237,407)	(\$178,123)	(\$179,446)	(\$171,850)	(\$192,827)	(\$33,354)	(\$14,998)	(\$62,738)	(\$54,759)
Net Increase (Decrease) in Cash and Cash Equivalents	(\$717,430)	\$777,879	(\$100,018)	\$33,794	\$58,072	(\$67,459)	(\$94,120)	(\$290,246)	\$114,525	(\$197,794)	\$112,554	\$278,950
Balances - beginning of the year	\$905,329	\$127,450	\$227,468	\$193,674	\$135,602	\$203,061	\$297,181	\$587,427	\$472,902	\$670,696	\$558,142	\$279,192
Balances - end of the year	\$187,899	\$905,329	\$127,450	\$227,468	\$193,674	\$135,602	\$203,061	\$297,181	\$587,427	\$472,902	\$670,696	\$558,142
Source: Town of Hampden Audits (Exhibits E, F, G), FY04 to FY15												

Town of Hampden
106 Western Avenue
Hampden, Maine 04444



**Agenda
Item 3-b**

Phone: (207) 862-3034
Fax: (207) 862-5067
Email:
townmanager@hampdenmaine.gov

TO: Infrastructure Committee
FROM: Angus Jennings, Town Manager
DATE: January 18, 2017 – **updated January 29, 2017**
RE: Transfer Station policy

The Transfer Station Rules & Regulations and Policies are overdue for amendment. The current policies in effect, last amended in October 2015, are attached. On an almost daily basis, I am presented with questions or situations at point of sale that expose areas of the current policy that are unclear, or that generate significant customer dissatisfaction.

We have no problem applying unpopular policies if they are well considered, and if we're sure they reflect the policy intent of the Council. I am seeking policy direction on these matters to evaluate whether the current policies are appropriate or whether revisions are needed.

The following is a list of some questions or situations that have arisen at point of sale; on January 18 a working group including Councilors McPike, McAvoy and Marble met to provide input (marked in red text). I'd like to review this potential policy direction with the Infrastructure Committee, determine the majority positions, then move forward with revisions to bring clarity to most if not all of these items:

1. Hampden residents but vehicle registered elsewhere (i.e. residents with home out of state) – **Working group favored revised threshold for sticker eligibility based on Hampden residence / taxpayer, rather than auto registration.**
2. Sold car (which included sticker). Forgot to remove sticker. Do I need to pay for a new sticker? (Current policy is that, unless sticker is returned to Town to assure that it's not still in circulation, a new sticker must be purchased). **Working group agreed with current policy.**
3. Caretaker of local resident with no car (i.e. in-home support worker). Part of service to resident includes trash disposal. Can I get a sticker? Temporary pass? **Working group favored sale of temporary pass – not sticker – in this type of situation, with pass set for a specified period of time.**
4. Resident of Hampden but family car has commercial markings. Current (unwritten) policy per 1/14/16 memo, attached. Is this the right policy? If so

needs to be drafted as policy. Working group agreed with current practice; needs to be formalized in policy.

5. Resident of Hampden but car owned by business registered elsewhere. Should this be treated along the same lines as Item 4? Yes. Working group agreed with current practice; needs to be formalized in policy.
6. Non-resident kids cleaning out deceased parents' things; can I get a weekend pass? Working group favored sale of temporary pass – not sticker – in this type of situation, with pass set for a specified period of time.
7. Non-resident but is in town during summer (seasonal) with rental car. Working group favored sale of temporary pass – not sticker – in this type of situation, with pass set for a specified period of time.
8. Landlord/landowner wants weekend pass (C&D weekend) to clean up yard of rental unit. (No vehicle registered in Hampden). Working group did not support.
9. Hampden resident but vehicle is registered to parent's name who lives in another town. Working group supported sale of sticker if Hampden residence is verified.
10. Resident from another town displaced (fire, mold remediation). Only here until home is fixed/rebuilt. Working group favored sale of temporary pass – not sticker – in this type of situation, with pass set for a specified period of time.
11. Elder parent (Hampden resident) not able to drive / no vehicle. Family lives out of town but wants to dispose of parent's waste at the Transfer Station. Working group supported sale of sticker if Hampden residence is verified.
12. Local resident in extended rental but vehicle not registered in Hampden. Working group supported sale of sticker if Hampden residence is verified.
13. Housing units in developments with more than four units are not eligible to purchase a transfer station sticker. However, for many years, the former Town Manager provided the management of such developments (not individual residents) with three "one-day passes" for use by their residents/tenants for recycling only. This practice is not reflected in the current policy. This can be included, or not, per the will of the Council. Whether this practice continues or not, it will be helpful to have a clearly stated rationale to ensure that the policy to be enforced is understood. This item needs more discussion, including, what is significance of four-unit threshold?
14. A resident purchased a \$15.00 sticker to allow for disposal of a refrigerator. Did not use the sticker (but took the sticker off the backing). Sought to return the sticker and receive a refund. Refund was denied. If sticker was still on backing (and therefore could be re-sold), should a refund be provided? If not, it should be stated in transfer station policy (and at point of sale) that stickers are non-refundable. Working group felt that refund should not be provided if sticker was

removed from backing but would support refund if sticker still in saleable condition.

I recognize that there may be future policy changes regarding the Transfer Station, and solid waste management generally, that may have bearing on some or more of these situations. However, since these often arise daily or more, our counter staff needs policy direction to handle such inquiries with consistency.

I hope we can get some direction that will facilitate drafting amendments for consideration at a future meeting of the Infrastructure or the Administration & Finance Committee.

Town of Hampden
106 Western Avenue
Hampden, Maine 04444



Phone: (207) 862-3034
Fax: (207) 862-5067
Email:
townmanager@hampdenmaine.gov

TO: Town Council
FROM: Angus Jennings, Town Manager
DATE: January 14, 2016
RE: Policy clarification, Transfer Station Rules & Regulations

Sales of Transfer Station stickers since the first of the year have been brisk; as of midday today we have sold 1,176 for the year.

Due to their particular circumstances, a few Hampden residents have raised an issue that I believe needs policy clarification.

The Transfer Station Rules and Regulations state that the facility “is for disposal of Hampden residential trash only,” prohibit “commercial haulers,” and further provide that vehicles receiving one-day permits “cannot be a commercial or contractor vehicle or larger than a full-sized pick up.” The policy intent to limit use to residential trash is clear.

Historically, vehicles that are registered to a company (not an individual), or that bear markings of a commercial vehicle (i.e. commercial logos) have been understood to be “commercial” and have not in the past been allowed to purchase stickers. Vehicles registered to a company (but with no commercial markings) have been allowed, for the standard \$10 fee, to receive a Temporary Vehicle Permit (as referenced in the Rules and Regulations), as if for a borrowed vehicle, with a term of the calendar year. It is not clear to me why this makes sense; it would seem preferable to arrive at a system whereby a sticker – that is affixed to the vehicle – would be provided.

Vehicles with commercial markings have not been allowed to purchase a sticker or Temporary Vehicle Permit.

Several Hampden residents who own their own business, and who have their vehicle for transfer station activities registered to the business, have expressed their opinion that, as Hampden residents, they should have the option to buy a sticker and to dispose of residential waste at the Transfer Station. In some instances, the vehicles in question are registered in Hampden; in other instances they’re not.

Two residents whose businesses could be expected to generate commercial waste (i.e. construction debris) sought to purchase a sticker. On hearing their circumstances, and

after consultation with the Public Works Director, we agreed to sell them each a sticker upon documentation that the business has a separate waste disposal agreement for commercial waste. Both people agreed, provided documentation, and we sold them each a sticker.

Another resident whose business (account management) would not be expected to generate commercial waste, also seeks to purchase a sticker. The approach taken with the other residents doesn't apply here because no commercial waste disposal agreement would be needed. I have advised him that this matter would be considered at Tuesday's meeting, and that we would contact him Wednesday with some resolution.

Following changes in practice made this past fall, all residents who purchase a sticker are required to sign a statement that they have reviewed and agree to comply with the Transfer Station Rules and Regulations. It is my recommendation that, until the Transfer Station Rules and Regulations are amended to clarify this issue, we issue a sticker to the resident in question (and others in this situation) following the same rationale: if the business that the vehicle is registered to generates commercial waste, require documentation of a separate waste disposal agreement for commercial waste; if the business doesn't generate commercial waste, rely on the person's signature agreeing to abide by the policy.

Due to time constraints I have not drafted language for Council consideration; however I do want to bring this matter to your attention for consideration, and to ensure that you agree with this approach for the time being.

In considering this issue, it is important to understand that the practice of denying business-owned vehicles the ability to purchase a sticker is long-standing, and has been consistently applied. It is therefore especially important that any change in policy (or practice) does not undermine the primary policy objective of limiting the facility to residential waste; is clearly communicated to the public; and is evenly applied.

In the future, I will recommend that the Council clarify the Transfer Station Rules and Regulations to better define "commercial vehicles," and to provide a clear, uniform process by which Hampden residents can be assured access to the Transfer Station, upon purchase of a sticker, for residential trash disposal. The matter of whether to sell stickers to Hampden residents with business-owned vehicles registered outside of Hampden will also need to be addressed.

I do believe that a change is warranted because I agree with the affected people that, as Hampden residents and taxpayers, they should have the same ability to dispose of residential waste as all residents, even if their vehicle is commercially owned or marked.

cc: Sean Currier, DPW Director

TRANSFER STATION DECAL ISSUANCE POLICY

The Hampden Transfer Station is for the use of Hampden residential property owners and renters who occupy single family residential units or a residence in a multi-unit development of four or fewer units.

1. The vehicle registration of the vehicle on which the decal will go must be presented at the time of sticker issuance.
2. To qualify for a residential decal, a vehicle must be registered in Hampden. Residents who otherwise qualify for a sticker but who have company-owned vehicles not registered in Hampden, without the company name or logo on the vehicle, may receive a paper pass for that vehicle for the year for the \$10 fee.
3. Seasonal Residents must own single family residential property not used for rental purposes and provide proof of vehicle registration.
4. No stickers will be issued for commercial construction/contractor vehicles with company name or logo on the vehicle, regardless of place of registration.
5. Stickers will not be issued to trucks other than pickups with a regular pick-up bed of no more than 8 feet.
6. Transfer station decals must be permanently affixed to the inside of the windshield on the driver's side of the vehicle for which it was issued. Plate numbers on the decal must match the plate number on the vehicle.
7. Vehicles without a decal or appropriate paper pass will not be allowed access to the transfer station.

This policy was amended by the Hampden Town Council on 2/17/2009 and on 10/5/2015.

TOWN OF HAMPDEN
SOLID WASTE TRANSFER STATION RULES & REGULATIONS

The Town of Hampden has a Solid Waste Transfer Station located at the Public Works Facility on the Canaan Road. This facility is for disposal of Hampden residential trash only.

- No Commercial Haulers allowed
- No Contractor vehicles allowed

PERMITS

A permit on the vehicle is required for access to the facility. Permits are available at the Town Office at a cost of \$10 per sticker per vehicle per calendar year. **A current vehicle registration must be presented annually in order to obtain a sticker.** Only year round residents or seasonal residents who do not use their property for rental purposes are eligible to purchase stickers. Businesses and residents of apartment or private complexes with more than four units are not eligible to purchase stickers or utilize the Transfer Station. **No vehicle will be allowed entry to the Transfer Station after February 1st of each year without a current decal.**

A one-day permit is available for a resident to obtain in order to use a borrowed vehicle. To acquire this, bring the number of your existing permit to the Town Office and ask for a Temporary Vehicle Permit. The permit is available at no charge and is valid for one day only. You must accompany the vehicle for which you obtained the permit and the vehicle cannot be a commercial or contractor vehicle or larger than a full-sized pick up.

<u>HOURS OF OPERATION</u>	<u>CLOSED ALL LEGAL HOLIDAYS</u>	
MONDAY – CLOSED	New Year's Day	
TUESDAY – CLOSED	Martin Luther King Day	
WEDNESDAY – 10 A.M. – 6 P.M.	President's Day	Columbus Day
THURSDAY – 10 A.M. – 6 P.M.	Patriot's Day	Veteran's Day
FRIDAY – 10 A.M. – 6 P.M.	Memorial Day	Thanksgiving Day
SATURDAY – 8 A.M. – 4 P.M.	4 th of July	Day after Thanksgiving
SUNDAY – 8 A.M. – 4 P.M.	Labor Day	Christmas Day

DISPOSAL SCHEDULE

SOLID WASTE -

ACCEPTED ON ANY DAY THAT THE TRANSFER STATION IS OPEN.

SHARPS DISPOSAL -

ACCEPTED ON ANY DAY THAT THE TRANSFER STATION IS OPEN. THERE IS A SEPARATE RECEPTACLE AT THE TRANSFER STATION FOR SHARPS DISPOSAL

SWAP SHOP ITEMS -

ARE ACCEPTED AT THE 'SWAP SHOP' ON ANY DAY THAT THE TRANSFER STATION IS OPEN, AND MAY BE TAKEN FROM THE 'SWAP SHOP' ON ANY DAY THAT THE TRANSFER STATION IS OPEN.

RECYCLABLES -

ACCEPTED ON ANY DAY THAT THE TRANSFER STATION IS OPEN.

CONSTRUCTION & DEMOLITION DEBRIS, WOOD, METAL, APPLIANCES AND ASPHALT SHINGLES -

THESE ITEMS ARE ACCEPTED ON THE 2ND AND 4TH WEEKEND OF EACH MONTH **ONLY.**

REFRIGERANT DISPOSAL FEE –

There is a \$15 fee for the disposal of any appliance with refrigerant (refrigerators, freezers, some air conditioners). A permit sticker for the disposal of such items must be picked up at the Town Office prior to disposal, and these items can only be taken to the transfer station on the second and fourth weekends of each month. Permit stickers must be affixed to the item.

BEFORE YOU GO TO THE TRANSFER STATION DISPOSAL TIPS...

TELEVISIONS, COMPUTER PARTS and FLUORESCENT LAMPS are accepted any time the Transfer Station is open.

TIRES all must have rims removed. No more than four tires will be accepted.

PAINT CANS must be empty and rinsed out with lids removed.

METAL BARRELS, 5, 30, AND 55 GALLON DRUMS must have at least one end removed and they must be washed out.

LEAVES, GRASS, AND YARD AND GARDEN CLIPPINGS must be bagged and disposed of in the trash compactors along with solid waste.

TREE LIMBS AND BRANCHES – Must not exceed 10' in length and are acceptable only on the 2nd and 4th weekends of each month.

ZERO-SORT RECYCLING

The Town of Hampden operates a Zero-Sort recycling program at the Transfer Station. There is a separate compactor at the facility in which many recyclables are deposited. There is no need to separate these recyclable materials, however, if they are disposed of in a bag, the bag must be clear plastic in order to be placed in the compactor.

Recyclable materials that can be deposited in the Zero-Sort Compactor include:

Magazines & Books	Newspaper
File folders & office paper	Mail & Greeting cards
Corrugated cardboard	Paperboard boxes
Paper Cartons	Plastic Containers
Large Rigid Plastics	Metal cans
Glass bottles	

Non-recyclable items that **cannot be deposited in the Zero-Sort compactor include:**

Plastic bags	Mirrors
Window Glass	Light bulbs
Dishes	Pyrex
Ceramics	Paper Towels
Facial tissue	Styrofoam
Recyclables containing food waste	Paints
Oils	Hazardous material
Needles	Syringes
VCR tapes	CD's/DVD's
Scrap Metal	Pots or Pans

UNACCEPTABLE WASTES

- AUTOMOTIVE PARTS containing hazardous fluids including batteries, engines, transmissions, etc. These items should be disposed of in a salvage yard.
- STUMPS will not be accepted.
- HAZARDOUS WASTE will not be accepted. This includes paint thinners, cleaners, poisons, asbestos, chemicals, and petroleum products such as gas, oil and kerosene.

COMPOSTING

The Town of Hampden is making every effort to protect our environment and to keep waste disposal costs as low as possible. In addition to observing the guidelines above, you can help reduce the amount of waste that you produce in your home. Home composting, for example, is easy to do and not only reduces the waste stream, but produces usable garden fertilizer. The Town participates annually in the State Planning Office Home Composter Program by subsidizing the cost of home composters for interested Hampden residents. To find out more about home composting and when the next composter order will be placed - call Rosemary at 862-3337.

QUESTIONS? CALL ROSEMARY AT 862-3337.

TRANSFER STATION RULES

- VEHICLE MUST HAVE PERMIT DECAL ATTACHED TO DRIVER SIDE WINDSHIELD.
- ALL ITEMS CONTAINING FREON (REFRIGERATORS, A/C UNITS) MUST HAVE A STICKER OBTAINED FROM THE TOWN OFFICE. THERE IS A \$15 FEE FOR THE STICKER TO COVER DISPOSAL COSTS. STICKERS ARE TO BE ATTACHED TO ITEM.
- NO TRAILER BEDS SHALL EXCEED 12' IN LENGTH.
- NO COMMERCIAL (OR CONTRACTOR) VEHICLES ALLOWED.
- NO LEAVES OR VEGETATION IN BRUSH PILE (PLEASE BAG LEAVES AND PLACE IN COMPACTOR).
- NO BRUSH OR TREES GREATER THAN 10' IN LENGTH.
- NO STUMPS ALLOWED.
- TIRES MUST HAVE RIMS REMOVED. TIRES CAN BE PLACED IN COMPACTOR. NO MORE THAN 4 TIRES WILL BE ACCEPTED.
- NO AUTOMOTIVE PARTS CONTAINING HAZARDOUS FLUIDS (BATTERIES, ETC.).
- FLUORESCENT LAMPS AND TELEVISIONS TO BE GIVEN TO STATION ATTENDANT FOR PROPER PLACEMENT.
- NO HAZARDOUS WASTES SHALL BE ACCEPTED (NO PESTICIDES, PROPANE TANKS, ETC.)

SWAP SHOP

ABSOLUTELY NO JUNK OR HEAVILY USED ITEMS IN THE SWAP SHOP. THIS IS INTENDED FOR LIGHTLY USED ITEMS THAT ARE STILL USABLE, BUT YOU NO LONGER WANT. THIS FACILITY IS NOT INTENDED TO BE A DISPOSAL FOR BROKEN OR UNUSABLE PRODUCTS, HAZARDOUS MATERIAL (PESTICIDES, PROPANE TANKS, A/C UNITS ETC.), OR ANY OTHER ITEMS DUE TO THE DEBRIS SECTION BEING CLOSED. NO FREON CONTAINING ITEMS (A/C UNITS, REFRIGERATORS, ETC) ALLOWED IN THIS BUILDING. PLEASE BE RESPONSIBLE AND PLACE ONLY APPROPRIATE ITEMS IN THIS FACILITY.

THANK YOU FOR YOUR COOPERATION.

This policy was amended by the Hampden Town Council on 10/5/2015.



DECAL NUMBER _____

**TOWN OF HAMPDEN
TRANSFER STATION DECAL APPLICATION**

LAST NAME: _____ FIRST NAME: _____

PROPERTY ADDRESS: _____

VEHICLE MAKE/MODEL: _____ PLATE #: _____

BY SIGNING THIS APPLICATION, I CERTIFY THAT I MEET THE FOLLOWING CONDITIONS:

- _____ 1. THIS PROPERTY IS MY YEAR ROUND RESIDENCE AND NOT PART OF A COMMERCIAL DEVELOPMENT DEFINED AS A BUSINESS OPERATION OR AN APARTMENT/HOUSING COMPLEX OF MORE THAN FOUR (4) UNITS.
- _____ 2. THIS PROPERTY IS MY SEASONAL RESIDENCE AND IS NOT USED FOR RENTAL PURPOSES.

THE DECAL ISSUED MUST BE ATTACHED TO THE DRIVER SIDE WINDSHIELD OF THE VEHICLE LISTED ABOVE. IF YOUR VEHICLE CHANGES, PLEASE NOTIFY THE TOWN OFFICE FOR A REPLACEMENT DECAL. DECALS ARE GOOD FOR THE CALENDAR YEAR AND MUST BE RENEWED ANNUALLY PRIOR TO FEBRUARY 1.

THE HAMPDEN TRANSFER STATION IS TO BE USED FOR RESIDENTIAL TRASH/RECYCLING ITEMS GENERATED ONLY IN THE TOWN OF HAMPDEN. ABUSE OR VIOLATION OF TRANSFER STATION RULES WILL RESULT IN TERMINATION OF PRIVILEGES TO USE THE FACILITY.

_____ VEHICLE REGISTRATION PRESENTED (TO BE INITIALED BY ISSUING CLERK)

I HAVE RECEIVED A COPY OF THE TRANSFER STATION RULES AND REGULATIONS AND UNDERSTAND IT IS MY RESPONSIBILITY TO ABIDE BY THE RULES AND REGULATIONS.

SIGNATURE

PHONE NUMBER

DATE